

**REMARKS/ARGUMENTS**

This Amendment is in response to the Final Office Action dated September 3, 2003, the deadline to which has been extended by one (1) month from December 3, 2003 to January 3, 2004, by petition and payment of fee. Applicant has presented arguments herein below that Applicant believes should render the claims allowable. In the event, however, that the Examiner is not persuaded by Applicant's amendments and arguments, Applicant respectfully requests that the Examiner enter the amendments and arguments to clarify issues upon appeal.

Claims 1-6 and 8-42 are pending in the present application. Claims 14-39 have been withdrawn from consideration. Claims 1-6, 8-13, and 40-42 have been rejected. Claims 1 and 12 have been amended to further define the scope and novelty of the present invention, for clarification, as well as to correct typographical and grammatical errors. Support for the amendment to claim 1 is found throughout the specification, and in particular, on page 3, lines 1-13, and page 13, lines 19-23. Applicant respectfully submits that no new matter has been presented. Claims 40 and 42 have been canceled. Accordingly, claims 1-6, 8-13, and 41 are pending. For the reasons set forth more fully below, Applicant respectfully submits that the claims as presented are allowable. Consequently, reconsideration, allowance, and passage to issue are respectfully requested.

**Drawings**

The Examiner has stated:

The drawings are objected to because the page margins (especially for Figs. 2 and 3) are too small. A proposed drawing correction or corrected drawings are required in reply to the Office action to avoid abandonment of the application. The objection to the drawings will not be held in abeyance.

In response, Figures 1-3 have been amended to address the above-referenced objection.

Specifically, the page margins of Figures 1-3 have been increased to the proper width. The corrected drawings are provided herewith.

### Claim Objections

The Examiner has stated:

Claim 12 is objected to because of the following informalities: In lines 2-3, it is not clear what the numerals "1" and "2" refer to. Appropriate correction/clarification is required.

In response, claim 12 has been amended to address the above-referenced objection.

Specifically, the numerals "1" and "2" have been deleted.

### Claim Rejections - 35 U.S.C. §112

The Examiner has stated:

Claim 42 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The terminology, "statistically relevant" is indefinite because an exact definition has not been given. ...

Claim 40 is rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time of application was filed, had possession of the claimed invention.

Specifically, regarding claim 40, nowhere in the original specification does it state that a threshold for triggering the notifying step is not based on a model pattern for a group of individual items. The specification simply states what the proposed invention is not that is couldn't be something else (i.e. what it is not).

In response, claims 40 and 42 have been canceled.

**Claim Rejections - 35 U.S.C. §103**

The Examiner has stated:

Claims 1-13, 41-42 are rejected under U.S.C. 103(a) as being unpatentable over Kagami et al. and Official Notice.

Kagami et al. disclose or inherently teach the limitations of the claim 1 (see specifically Fig. 2, and Col. 5, lines 6-41); except the reference lacks the specific teaching of "notifying an interested party" (the reference only teaches giving "advise to modify"; Col. 5, lines 40-41), and adjusting the corresponding time frame

....

It would have been obvious ... to modify Kagami et al. to notify "an Interested party" of the advice to modify the inventory control system, in order to provide a manager with the necessary information to act on the advise and hence change the system to improve the system's future accuracy.

Further, the Examiner takes Official Notice that it is well known in sales to adjust the corresponding time frame for a particular individual item if the estimated sales projection for the particular individual item does not exceed a minimum criteria. For example, in real estate, an owner of a property has to have his house sold within two weeks due to a job transfer. The real estate agent has been selling houses in the neighborhood within one month on average (thus, the sales projection for this individual item is one month). Because the estimated sales projection (one every month) does not exceed the minimum criteria set by the owner of two weeks, the real estate agent has to adjust the corresponding time frame for selling the house to two weeks. Of course, in order to sell the house in two weeks, the agent would probably have to increase the demand for the house by either lowering the price or working harder to find more buyers. Thus, this example describes how it is common in everyday business/sales to adjust the corresponding time frame for a particular individual item if the estimated sales projection for the particular individual item does not exceed a minimum criteria.

Re claim 41: The limitation would have been an obvious design choice at the time of the Kagami et al. invention, as it is well known that some "seasons" in sales have different time frames. For example, the back to school season may only last for a few weeks, but the Christmas season may last for a few months. ...

Applicant's arguments with respect to "adjusting time frame..." have been overcome by the new grounds of rejection described above.

Applicant's arguments with respect to Kagami not teaching inventory information for a particular individual item is not persuasive in that in order to monitor a class of goods, each individual item within that class has to be monitored, as is the case in Kagami (See Column 5).

Applicant respectfully traverses the Examiner's rejections. For the Examiner's convenience, amended independent claim 1 is reproduced in its entirety herein below.

Claim 1

1. (currently amended) A computerized method for analyzing inventory information using time frames, the method comprising the steps of:
  - determining estimated sales projections for individual items, wherein each individual item has a corresponding time frame comprising a range of hours within a particular day;
  - adjusting the corresponding time frame for a particular individual item if the estimated sales projection for the particular individual item does not exceed a minimum criteria;
  - collecting sales data for said individual items in said corresponding time frames;
  - analyzing sales data collected for said individual items in said corresponding time frames with said estimated sales projections for said individual items in said corresponding time frames;
  - and
  - notifying an interested party or a system shortly after the end of said corresponding time frame upon determination that any items of said individual items in said corresponding time frames have performed unexpectedly versus said estimated sales projections.

The present invention is directed to a method for analyzing inventory information using time frames. In accordance with the present invention, the method comprises determining estimated sales projections for individual items. Each individual item has a corresponding time frame comprising a range of hours within a particular day. The corresponding time frame is adjusted for a particular individual item if the estimated sales projection for the particular individual item does not exceed a minimum criteria. The sales data for the individual items in the corresponding time frames is collected and analyzed with the estimated sales projections for the individual items in the corresponding time frames. Finally, an interested party or a system is notified shortly after the end of said corresponding time frame upon determination that any items of the individual items in the corresponding time frames have performed unexpectedly versus the estimated sales projections.

The interested party may then take appropriate corrective actions to solve the problem as to why the sales any items performed unexpectedly. By identifying and reporting items that have performed unexpectedly shortly after the end of the particular time frame, problems can be solved quickly and thereby save the retailer the cost of forgone revenue, lost potential for

additional business, reduced profit margins, etc. (Summary). Kagami does not teach or suggest these features, as discussed below.

Kagami discloses an inventory control method that warns against the excess or deficiency of a stock of goods. Kagami groups goods into classes where each class exhibits a similar life cycle or specific character of sale results. The sales results are monitored and compared to the change of sales, which is forecasted using a sales change model pattern of each class. If the accuracy of the forecasted sales is poor, the sales change model pattern is modified and used to determine a stock warning index, which provides information on the excess or deficiency of stock. The inventory control method helps to determine a date to order goods and an amount of goods to order for a particular sale season (Background, Summary, Fig. 2, and column 5, lines 6-41).

However, Kagami does not teach or suggest the combination of "determining estimated sales projections for individual items, wherein each individual item has a corresponding time frame comprising a range of hours within a particular day," and "notifying an interested party or a system shortly after the end of said corresponding time frame upon determination that any items of said individual items in said corresponding time frames have performed unexpectedly versus said estimated sales projections," as recited in amended independent claim 1. Instead, Kagami teaches a stock warning system for fashion goods sold during a sale season (column 5, lines 6-41). Kagami is different from the present invention because Kagami provides sales information on a class of goods during a sale season. As is well known, a sale season spans over weeks or months. For example, Applicant agrees with the Examiner that the back to school season may last for a few weeks and the Christmas season may last for a few months. In

*\* season could be modified to hours in a day*

contrast to Kagami, which is directed to a sale season (e.g., October to December), the present invention as recited in amended independent claim 1, is directed to certain hours within a particular day (e.g., 12:00 p.m. to 3:30 p.m. on Monday). Sales information in the context of a sale season spanning over weeks or months as taught by Kagami is too general to be useful in monitoring sales activity during certain hours within a particular day as with the present invention.

Even if Kagami performs certain "steps 203 to 213 repeated everyday" in order to determine if the sales change model pattern needs to be modified, the sales change model pattern still models the change of sales for goods during the span of the sale season (column 5, lines 6-41). Furthermore, the sales change model pattern of Kagami does not provide information on sales activity during certain hours within a particular day as with the present invention. In other words, Kagami does not designate certain hours to be monitored and does not designate particular days to monitored. Accordingly, while Kagami may help to determine, for example, a date to order goods or an amount of goods to order for a particular sale season, Kagami cannot provide real-time sales feedback for real-time corrective actions on individual items during certain hours within a particular day as with the present invention. Because Kagami does not address the corresponding time frame comprising a range of hours within a particular day as recited in amended independent claim 1, Kagami cannot notify an interested party or a system shortly after the end of such corresponding time frame.

A benefit of the present invention, where the corresponding time frame comprises a range of hours within a particular day and notification occurs shortly after the end of the corresponding time frame, is that an interested party such as a store manager can take appropriate corrective

actions in real-time to solve the problem of why sales of an item performed unexpectedly. For example, if sales of an item are less than expected, the store manager can determine in real-time if the item needs to be placed in a better location, needs to be displayed in a different way, or if the store shelf for the item was empty and more units of the item need to be moved from the warehouse to the store shelf during certain hours within certain days. Nowhere does Kagami teach these features, and because so, Kagami cannot provide this benefit.

Therefore, Kagami does not teach or suggest the *combination of steps* as recited in amended independent claim 1, and claim 1 is allowable over Kagami.

Remaining dependent claims

Dependent claims 2-6, 8-13, and 41 depend from amended independent claim 1.

Accordingly, the above-articulated arguments related to amended independent claim 1 apply with equal force to claims 2-6, 8-13, and 41, which are thus allowable over the cited reference for at least the same reasons as claim 1.

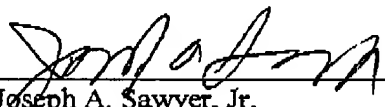
Conclusion

In view of the foregoing, Applicant submits that claims 1-6, 8-13, and 41 are patentable over the cited reference. Applicant, therefore, respectfully requests reconsideration and allowance of the claims as now presented.

Applicant's attorney believes that this application is in condition for allowance. Should any unresolved issues remain, the Examiner is invited to call Applicant's attorney at the telephone number indicated below.

Respectfully submitted,  
SAWYER LAW GROUP LLP

December 5, 2003  
Date

  
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